

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1452 – SB 1709

March 9, 2014

**SUMMARY OF ORIGINAL BILL:** Authorizes regular part-time employees of the Tennessee Board of Regents (TBR) and the University of Tennessee (UT) systems to enroll in one course per term at any state supported college, university, or college of applied technology without charge for tuition or maintenance fees. Enrolling employees shall be responsible for fees, other than maintenance fees. Enrollment of such employees may be limited or denied based on availability of space.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$50,900/FY14-15

Exceeds \$50,900/FY15-16 and Subsequent Fiscal Years

**SUMMARY OF AMENDMENTS (013905, 012547):** Deletes all language of the original bill. Enacts the “Bryan Byrge Act”, which authorizes temporary and regular part-time employees of a community college or Tennessee College of Applied Technology (TCAT) to enroll in one course per term at their place of employment without charge for tuition or maintenance fees. Limits the course that may be taken to no more than four credit hours or 120 clock hours in length. Enrolling employees shall be responsible for fees, other than maintenance fees. Defines “space availability”. Enrollment of such employees shall be limited or denied based on availability of space. The bill as amended does not apply to adjunct faculty or temporary part-time employees who are hired and paid through a temporary work agency or hiring firm.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

Increase State Expenditures - \$6,700/FY14-15

Exceeds \$7,100/FY15-16 and Subsequent Fiscal Years

Assumptions for the bill as amended:

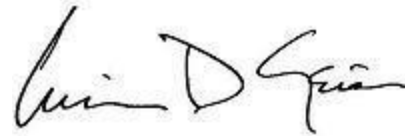
- Lost revenue for community colleges and TCATs will be replaced with state appropriations rather than an increase in tuition or other fees.

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- The current tuition waiver is \$417 per semester at a community college and \$245 per semester at a TCAT.
- With a six percent annual increase in tuition, a one semester tuition waiver in FY14-15 for community colleges is estimated to be \$442 ( $\$417 \times 106\%$ ) and for a TCAT is estimated to be \$260 ( $\$245 \times 106\%$ ).
- TBR estimates that seven part-time community college employees will receive a tuition waiver and take two courses (one each semester); and there will be one TCAT employee that will receive a tuition waiver that takes two courses (one each semester).
- In FY14-15, the increase in state expenditures for the seven part-time community college employees is estimated to be \$6,188 ( $\$442 \times 7 \text{ employees} \times 2 \text{ semesters}$ ).
- In FY14-15, the increase in state expenditures for the one TCAT employee is estimated to be \$520 ( $\$260 \times 1 \text{ employee} \times 2 \text{ semesters}$ ).
- The total increase in state expenditures in FY14-15 is estimated to be \$6,708 ( $\$6,188 + \$520$ ).
- With a six percent annual increase in tuition, the recurring increase in state expenditures in FY15-16 and subsequent fiscal years is estimated to exceed \$7,110 ( $\$6,708 \times 106.0\%$ ).

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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